

REDACTED - FOR PUBLIC INSPECTION

June 28, 2016

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

ATTENTION: WIRELINE COMPETITION BUREAU

RE: Form 481 ETC filing pursuant to Sections 54.313 and 54.422
SAC 361495, MN, Valley Telephone Company
Connect America Fund WC Dockets 10-90, 11-42 and 14-58

Dear Ms. Dortch:


Pursuant to Sections 54.313 and 54.422 of the Commission's Rules, please accept the attached FCC Form 481 of Valley Telephone Company, MN, SAC 361495 (the "Company") for filing with the Commission.

The Company is filing the attached redacted version via ECFS.

Kindly direct any questions regarding this transmittal to the undersigned. Thank you.

Sincerely,

Pamela Hintz



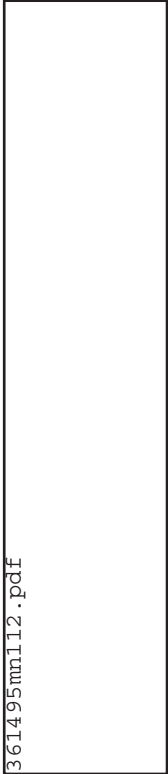
Senior Telecommunications Consultant
phintz@otcpas.com
(651) 621-8535

Enclosures

REDACTED - FOR PUBLIC INSPECTION

| | | |
|-------|--|--------------------|
| <010> | Study Area Code | 361495 |
| <015> | Study Area Name | VALLEY TEL CO - MN |
| <020> | Program Year | 2017 |
| <030> | Contact Name: Person USAC should contact with questions about this data | Pamela Hintz |
| <035> | Contact Telephone Number: Number of the person identified in data line <030> | 6516218535 ext. |
| <039> | Contact Email Address: Email of the person identified in data line <030> | phintz@otcpas.com |
| | Form Type | 54.313 and 54.422 |

| | | | |
|---|---|--|-----|
| (100) Service Quality Improvement Reporting Data Collection Form | | FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013 | |
| <010> | Study Area Code | 361495 | |
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| <035> | Contact Telephone Number - Number of person identified in data line <030> | 6516218535 ext. | |
| <039> | Contact Email Address - Email Address of person identified in data line <030> | phintz@otcpas.com | |
| <110> | Has your company received its ETC certification from the FCC? If your answer to Line <110> is yes, do you have an existing "5 year plan" filed with the FCC? | <div><div><input type="radio"/></div><div><input checked="" type="radio"/></div><div>(yes / no)</div></div> <div><div><input type="radio"/></div><div><input type="radio"/></div><div>(yes / no)</div></div> | |
| <112> | If your answer to Line <111> is yes, please file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service. Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service. | | |
| <113> | Please select the appropriate responses below (Yes, No, Not Applicable) to confirm that the attached document(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to §54.202(a). The information shall be submitted at the wire center level or census block as appropriate. | | |
| <114> | Maps detailing progress towards meeting plan targets | | Yes |
| <115> | Report how much universal service (USF) support was received | | Yes |
| <116> | How much (USF) was used to improve service quality and how support was used to improve service quality | | Yes |
| <117> | How much (USF) was used to improve service coverage and how support was used to improve service coverage | | Yes |
| <118> | How much (USF) was used to improve service capacity and how support was used to improve service capacity | | Yes |
| <119> | Provide an explanation of network improvement targets not met in the prior calendar year. | | |



Name of Attached Document

[illegible]

(300) Unfulfilled Service Request

Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

| | | |
|-------|---|---------------------------------|
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| <035> | Contact Telephone Number - Number of person identified in data line <030> | Pamela Hintz 6516218535 ext. |
| <039> | Contact Email Address - Email Address of person identified in data line <030> | phintz@otcpas.com |
| <300> | Unfulfilled service request (voice) | 0 |
| <310> | Detail on attempts (voice) | Name of Attached Document |
| <320> | Unfulfilled service request (broadband) | 0 |
| <330> | Detail on attempts (broadband) | Name of Attached Document |

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(400) Number of Complaints per 1,000 customers
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

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| <400> | Select from the drop-down list to indicate how you would like to report voice complaints (zero or greater) for voice telephony service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize. | Offered only fixed voice |
| <410> | Complaints per 1000 customers for fixed voice | 0 . 0 |
| <420> | Complaints per 1000 customers for mobile voice | |
| <430> | Select from the drop-down list to indicate how you would like to report end-user customer complaints (zero or greater) for broadband service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize. | Offered only fixed broadband |
| <440> | Complaints per 1000 customers for fixed broadband | 0 . 0 |
| <450> | Complaints per 1000 customers for mobile broadband | |

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(500) Compliance With Service Quality Standards and Consumer Protection Rules
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

| | | |
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| <039> | Contact Email Address - Email Address of person identified in data line <030> | phintz@otcpas.com |
| <500> | Certify compliance with applicable service quality standards and consumer protection rules | Yes |
| <510> | Descriptive document for Service Quality Standards & Consumer Protection Rules Compliance | 361495m1510.pdf |

(600) Functionality in Emergency Situations

Data Collection Form

FCC Form 481

SAMIS Control No. 361495/0819/0018 Control No. 3060-0819
July 2013

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| <039> | Contact Email Address - Email Address of person identified in data line <030> | phintz@otcpas.com |
| <600> | Certify compliance regarding ability to function in emergency situations | Yes |
| <610> | Descriptive document for Functionality in Emergency Situations | 361495mn610.pdf |

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

| |
|----------|
| 1/1/2016 |
| |

--- See attached worksheet

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

361495

VALLEY TEL CO - MN

2017

Pamela Hintz

5516218535 ext.

phintz@otcpas.com

[illegible]

(900) Tribal Lands Reporting
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

| | | |
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<900> Does the filing entity offer tribal land services? (Y/N) Yes

<910> Tribal Land(s) on which ETC Serves

Sisseton-Wahpeton Oyate

<920> Tribal Government Engagement Obligation

361495mn900.pdf

Name of Attached Document

If your company serves Tribal lands, please select (Yes,No, NA) for each these boxes to confirm the status described on the attached document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions.
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

| Select Yes or No or Not Applicable |
|--|
| Yes |
| Yes |
| Yes |
| Yes |
| Yes |
| Yes |
| Yes |
| Yes |
| Yes |

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**(1000) Voice and Broadband Service Rate Comparability
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

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| | | | |
|--------|--|---|---------------------------|
| <1000> | Voice services rate comparability certification | Yes | |
| <1010> | Attach detailed description for voice services rate comparability compliance | 361495mn1010.pdf | Name of Attached Document |
| <1020> | Broadband comparability certification | Yes - Pricing is no more than the most recent applicable benchmark announced by the Wireline Competition Bureau | |
| <1030> | Attach detailed description for broadband comparability compliance | 361495mn1030.pdf | Name of Attached Document |

(1100) No Terrestrial Backhaul Reporting
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

| | | |
|-------|---|--------------------|
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| <039> | Contact Email Address - Email Address of person identified in data line <030> | phintz@otcpas.com |

<1100>

Certify whether terrestrial backhaul options exist (Y/N)

Yes

<1130>

Please select the appropriate response (Yes, No, Not Applicable) to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(g).

| | | | |
|--|--|---|--|
| (1200) Terms and Condition for Lifeline Customers | | FCC Form 481 | |
| Lifeline | | OMB Control No. 3060-0986/OMB Control No. 3060-0819 | |
| Data Collection Form | | July 2013 | |

| | | |
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| <039> | Contact Email Address - Email Address of person identified in data line <030> | phintz@otcpas.com |

361495mm1210 .pdf

Name of Attached Document

| | | |
|--------|--|------|
| <1210> | Terms & Conditions of Voice Telephony Lifeline Plans | |
| <1220> | Link to Public Website | HTTP |

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

| | | |
|--------|---|-------------------------------------|
| <1221> | Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, | <input checked="" type="checkbox"/> |
| <1222> | Details on the number of minutes provided as part of the plan, | <input checked="" type="checkbox"/> |
| <1223> | Additional charges for toll calls, and rates for each such plan. | <input checked="" type="checkbox"/> |

| | |
|--|--|
| (2000) Price Cap Carrier Additional Documentation | |
| Data Collection Form | |
| <i>Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers</i> | |
| FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013 | |

| | | |
|-------|---|--------------------|
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Select the appropriate responses below (Yes, No, Not Applicable) to note compliance as a recipient of Incremental High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e). The information reported on this form and in the documents attached below is accurate.

Incremental Connect America Phase I reporting

| | | | |
|---------|---|--|--|
| <2010> | 2nd Year Certification 47 CFR § 54.313(b)(1)(i) - Note that for the July 1 2016 certification, this applies to Round 2 recipients of Incremental Support | | |
| <2011> | 3rd Year Certification 47 CFR § 54.313(b)(1)(ii) - Note that for the July 1 2016 certification, this applies to Round 1 recipients of Incremental Support | | |
| <2022> | Recipient certifies, representing year two after filing a notice of acceptance of funding pursuant to 54.312(c), that the locations in question are not receiving support under the Broadband Initiatives Program or the Broadband Technology Opportunities Program for projects that will provide broadband with speeds of at least 4 Mbps/1Mbps - 54.313(b)(2)(i). Round 2 recipients only. | | |
| <2023> | The attachment on line 2024 includes a statement of the total amount of capital funding expended in the previous year in meeting Connect America Phase I deployment obligations, accompanied by a list of census blocks indicating where funding was spent. This covers year two - 54.313(b)(2)(ii). Round 2 recipients only. | | |
| <2024A> | Round 2 Recipient of Incremental Support? | | |
| <2024B> | Attach list of census blocks indicating where funding was spent in year two - 54.313(b)(2)(iii). Round 2 recipients only. | | Name of Attached Document Listing Required Information |
| <2025A> | Round 1 or Round 2 Recipient of Incremental Support? | | |
| <2025B> | Attach geocoded Information for Phase I milestone reports (Round 1 for year three and Round 2 for year two) - Connect America Fund , WC Docket 10-90, Report and Order, FCC 13- | | Name of Attached Document Listing Required Information |
| <2015> | 2016 and future Frozen Support Certification 47 CFR § 54.313(c)(4) | | |

(2000) Price Cap Carrier Additional Documentation (Continued)

Data Collection Form

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}

<2016> Certification support used to build broadband

Connect America Phase II Reporting {47 CFR § 54.313(e)}

<2017A> Connect America Fund Phase II recipient?

<2017B> Attach information for Phase II - 54.313(e)(1) - list of geocoded locations already meeting the 54.309 public interest obligations at the end of calendar year 2015 and total amount of Phase II support, if any, the price

cap carrier used for capital expenditures in 2015.

<2018> Attach the number, names, and addresses of community anchor institutions to which the carrier newly began providing access to broadband service in the preceding calendar year - 54.313(e)(2)(iii)

<2019> Recipient certifies that it bid on category one telecommunications and Internet access services in response to all FCC Form 470 postings seeking broadband service that meets the connectivity targets for the schools and libraries universal service support program for eligible schools and libraries located within any area in a census block where the carrier is receiving Phase II model-based support, and that such bids were at rates reasonably comparable to rates charged to eligible schools and libraries in urban areas for comparable offerings - 54.313(e)(2)(v)

<2020> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 40% of its supported locations in the state on December 31, 2017 - 54.313(e)(3)

<2021> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 60% of its supported locations in the state on December 31, 2018 - 54.313(e)(4)

<2026> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 80% of its supported locations in the state on December 31, 2019 - 54.313(e)(5)

<2027> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 100% of its supported locations in the state on December 31, 2020 - 54.313(e)(6)

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Name of Attached Document Listing
Required Information

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Required Information

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Complete the items below to note compliance with five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

| | | | |
|---------|--|--|--|
| (3009) | Progress Report on 5 Year Plan Carrier certifies to 54.313(f)(1)(iii) | | |
| (3010A) | Milestone Certification {47 CFR § 54.313(f)(1)(i)} | Yes - Attach Certification | |
| (3010B) | Please Provide Attachment | Name of Attached Document Listing Required Information | 361495mn3010.pdf |
| (3012A) | Community Anchor Institutions {47 CFR § 54.313(f)(1)(iii)} | No - No New Community Anchors | |
| (3012B) | Please Provide Attachment | Name of Attached Document Listing Required Information | |
| (3013) | Is your company a Privately Held ROR Carrier {47 CFR § 54.313(f)(2)} | (Yes/No) | <input checked="" type="radio"/> <input type="radio"/> |
| (3014) | If yes, does your company file the RUS annual report | (Yes/No) | <input type="radio"/> <input checked="" type="radio"/> |
| | Please check these boxes to confirm that the attached PDF, on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires: | | |
| (3015) | Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers) | | <input type="checkbox"/> |
| (3016) | Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows | | <input type="checkbox"/> |
| (3017) | If the response is yes on line 3014, attach your company's RUS annual report and all required documentation | Name of Attached Document Listing Required Information | |
| (3018) | If the response is no on line 3014, is your company audited? | (Yes/No) | <input checked="" type="radio"/> <input type="radio"/> |
| | If the response is yes on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains: | | |
| (3019) | Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers | | <input checked="" type="checkbox"/> |
| (3020) | Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows | | <input checked="" type="checkbox"/> |
| (3021) | Management letter and/or audit opinion issued by the independent certified public accountant that performed the company's financial audit. | | <input checked="" type="checkbox"/> |
| | If the response is no on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains: | | |
| (3022) | Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers | | <input type="checkbox"/> |
| (3023) | Underlying information subjected to a review by an independent certified public accountant | | <input type="checkbox"/> |
| (3024) | Underlying information subjected to an officer certification. | | <input type="checkbox"/> |
| (3025) | Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows | | <input type="checkbox"/> |
| (3026) | Attach the worksheet listing required information | Name of Attached Document Listing Required Information | 361495mn3026.pdf |

(3005) Rate Of Return Carrier Additional Documentation (Continued)

Data Collection Form

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Financial Data Summary

(3027) Revenue

(3028) Operating Expenses

(3029) Net Income

(3030) Telephone Plant In Service(TPIS)

(3031) Total Assets

(3032) Total Debt

(3033) Total Equity

(3034) Dividends

| | | |
|-------|---|--------------------|
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4005 Rural Broadband Experiment

Authorized Rural Broadband Experiment (RBE) recipients must address the certification for public interest obligations, provide a list of newly served community anchor institutions, and provide a list of locations where broadband has been deployed.

Public Interest Obligations – FCC 14-98 (paragraphs 26-29, 78)

Please address Line 4001 regarding compliance with the Commission's public interest obligations. All RBE participants must provide a response to Line 4001.

4001. Recipient certifies that it is offering broadband to the identified locations meeting the requisite public interest obligations consistent with the category for which they were selected, including broadband speed, latency, usage capacity, and rates that are reasonably comparable to rates for comparable offerings in urban areas?

Community Anchor Institutions – FCC 14-98 (paragraph 79)

4003a. RBE participants must provide the number, names, and addresses of community anchor institutions to which they newly deployed broadband service in the preceding calendar year. On this line, please respond (yes – attach new community anchors, no – no new anchors) to indicate whether this list will be provided.

If yes to 4003A, please provide a response for 4003B.

4003b. Provide the number, names and addresses of community anchor institutions to which the recipient newly began providing access to broadband service in the preceding calendar year.

Name of Attached Document Listing Required Information

Broadband Deployment Locations – FCC 14-98 (paragraph 80)

4004a. Attach a list of geocoded locations to which broadband has been deployed as of the June 1st immediately preceding the July 1st filing deadline for the FCC Form 481.

Name of Attached Document Listing Required Information

4004b. Attach evidence demonstrating that the recipient is meeting the relevant public service obligations for the identified locations. Materials must at least detail the pricing, offered broadband speed and data usage allowances available in the relevant geographic area.

Name of Attached Document Listing Required Information

| | |
|---|--|
| Certification - Reporting Carrier Data Collection Form | FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013 |
|---|--|

| | | |
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TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

| | |
|---|--------------------------------|
| Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients | |
| I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate. | |
| Name of Reporting Carrier: | |
| Signature of Authorized Officer: CERTIFIED ONLINE | Date 06/17/2016 |
| Printed name of Authorized Officer: Dave Bickett | |
| Title or position of Authorized Officer: GM/CEO | |
| Telephone number of Authorized Officer: 2188268311 ext. | |
| Study Area Code of Reporting Carrier: | Filing Due Date for this form: |
| Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001. | |

| | |
|---|--|
| Certification - Agent / Carrier Data Collection Form | FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013 |
|---|--|

| | |
|---|--------------------|
| <010> Study Area Code | 361495 |
| <015> Study Area Name | VALLEY TEL CO - MN |
| <020> Program Year | 2017 |
| <030> Contact Name - Person USAC should contact regarding this data | Pamela Hintz |
| <035> Contact Telephone Number - Number of person identified in data line <030> | 6516218535 ext. |
| <039> Contact Email Address - Email Address of person identified in data line <030> | phintz@otcpas.com |

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

| Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier | |
|---|--|
| I certify that (Name of Agent) <u>Olsen Thielen</u> is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate. | |
| Name of Authorized Agent: | <u>Olsen Thielen</u> |
| Name of Reporting Carrier: | <u>VALLEY TEL CO - MN</u> |
| Signature of Authorized Officer: | Date: |
| Printed name of Authorized Officer: | |
| Title or position of Authorized Officer: | |
| Telephone number of Authorized Officer: | |
| Study Area Code of Reporting Carrier: | Filing Due Date for this form: <u>07/01/2016</u> |
| Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001. | |

TO BE COMPLETED BY THE AUTHORIZED AGENT:

| Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier | |
|--|--|
| I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate. | |
| Name of Reporting Carrier: | <u>VALLEY TEL CO - MN</u> |
| Name of Authorized Agent Firm: | <u>Olsen Thielen</u> |
| Signature of Authorized Agent or Employee of Agent: | Date: <u>06/15/2016</u> |
| Name of Authorized Agent Employee: | <u>Tom Campbell</u> |
| Title or position of Authorized Agent or Employee of Agent | <u>Consultant</u> |
| Telephone number of Authorized Agent or Employee of Agent: | <u>6516218511 ext.</u> |
| Study Area Code of Reporting Carrier: | Filing Due Date for this form: <u>07/01/2016</u> |
| Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001. | |

Attachments

(700) Price Offerings including Voice Rate Data
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

| | | |
|-------|---|--------------------|
| <010> | Study Area Code | 361495 |
| <015> | Study Area Name | VALLEY TEL CO - MN |
| <020> | Program Year | 2017 |
| <030> | Contact Name - Person USAC should contact regarding this data | Pamela Hintz |
| <035> | Contact Telephone Number - Number of person identified in data line <030> | 6516218353 ext. |
| <039> | Contact Email Address - Email Address of person identified in data line <030> | phintz@otcpas.com |

| |
|----------|
| 1/1/2016 |
| |

| | |
|-------|--|
| <701> | Residential Local Service Charge Effective Date |
| <702> | Single State-wide Residential Local Service Charge |

<703>

[illegible]

| | | |
|-------|---|--------------------|
| <010> | Study Area Code | 361495 |
| <015> | Study Area Name | VALLEY TEL CO - MN |
| <020> | Program Year | 2017 |
| <030> | Contact Name - Person USAC should contact regarding this data | Pamela Hintz |
| <035> | Contact Telephone Number - Number of person identified in data line <030> | 6516218353 ext. |
| <039> | Contact Email Address - Email Address of person identified in data line <030> | phintz@otcpaa.com |

[illegible]

[illegible]

REDACTED - FOR PUBLIC INSPECTION

VALLEY MUTUAL TELEPHONE COMPANY (SAC 361495)
FCC FORM 481
PROGRESS REPORT ON SERVICE QUALITY IMPROVEMENT PLAN

LINE 112 – FIVE YEAR PLAN OR PROGRESS REPORT



¹ Pursuant to Section 54.313(a) of the Commission's Rules "States that desire eligible telecommunications carriers to receive support pursuant to the high-cost program must file an annual certification with the Administrator and the Commission stating that all federal high-cost support provided to such carriers within that State was used in the preceding calendar year and will be used in the coming calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support is intended."

LINE 114 thru 117 UNIVERSAL SERVICE



2 47 U.S.C. § 254(e)
3 47 C.F.R. § 54.314(b)
4 *See USF/ICC Transformation Order* at Para. 612.
5 *Id.*





REDACTED - FOR PUBLIC INSPECTION

**VALLEY MUTUAL TELEPHONE COMPANY (SAC 361495)
FCC FORM 481
PROGRESS REPORT ON SERVICE QUALITY IMPROVEMENT PLAN
LINE 112 – FIVE YEAR PLAN OR PROGRESS REPORT**

ATTACHMENT A – LINE 113 NETWORK IMPROVEMENT MAP

Valley Tel Co MN

361495

REDACTED - FOR PUBLIC INSPECTION

Barry



10 mi

Sisseton

Agency Village

Google earth

Image USDA Farm Service Agency

© 2015 Google

SAC: 361495

State: MN

Valley Telephone Co - MN

Form 481 Line No 510 Compliance with Service Quality Standards and Consumer Protection

South Dakota:

1. Valley Telephone Co - MN (Company) will provide service on a timely basis to requesting customers within the Company's designated service area where the Company's network already passes the potential customers premises, and

2. The Company will provide service, within a reasonable period of time, if the potential customer is within the Company's designated service area but outside the Company's existing network coverage, if the service can be provided at reasonable cost by:
 - a. Modifying or replacing the requesting customer's equipment.
 - b. Adjusting network or customer facilities.

3. Service Quality Standards

The Company:

- Provides voice grade access to the public switched network.
- Provides flat rated local exchange service with no addition charge to end users.
- Provides access to the emergency services provided by local government or other public safety organization, such as 911 and enhanced 911.
- Provides toll blocking and toll limitation services.
- Advertises the availability of its services and the charges using media of general distribution and on its website.
- Maintains a business office providing customers with access to a customer service representative either in person or via a local telephone call or toll-free telephone number during normal business hours.
- Directs after hour calls to the Company's help desk.
- Directs trouble reports to the on-call technician.
- Tracks all service orders to ensure they are completed in a timely manner.
- Measures its service connection and service interruption performance on a regular basis.
- Trains employees to:
 - Answer all incoming calls promptly.
 - Respond to all inquiries for information promptly and courteously.
 - Investigate thoroughly all customer complaints.
 - Be knowledgeable about products and service offerings so they can assist the customer with selecting the best service option.
- Has a process for periodic inspection, testing and preventive maintenance of its equipment to permit the rendering of safe, adequate and continuous service at all times.

SAC: 361495

State: MN

Valley Telephone Co - MN

Form 481 Line No. 510 Compliance with Service Quality Standards and Consumer Protection

South Dakota: (Cont'd)

4. Consumer Protection Rules

The Company has established operating procedures designed to facilitate compliance with applicable consumer protection rules which include compliance with the Customer Proprietary Network Information (CPNI) rules. The operating procedures include:

- Appointment of a compliance officer.
- A manual detailing the specific procedures for protecting consumer information.
- Employee training on an annual basis.
- A disciplinary process for improper use of consumer information.

SAC: 361495

State: MN

Valley Telephone Co - MN

Form 481 Line No. 510 Compliance with Service Quality Standards and Consumer Protection

Minnesota:

In addition to the items noted above for South Dakota, as required by MN. Rule "7812.0700 Minnesota General Service Quality Requirements. Subpart 1" the local services provided by Valley Telephone Co - MN are provided under internal company operating procedures and publically available tariffs which are in compliance with applicable Minnesota Public Utility Commission orders and rules including:

7810.0100 DEFINITIONS.

7810.0200 SCOPE.

7810.0300 STATUTORY AUTHORITY.

RECORDS AND REPORTS

7810.0400 RETENTION OF RECORDS.

7810.0500 DATA TO BE FILED WITH THE COMMISSION.

7810.0600 REPORT TO COMMISSION ON SERVICE DISRUPTION.

7810.0900 LOCATION OF RECORDS.

CUSTOMER RELATIONS

7810.1000 INFORMATION AVAILABLE TO CUSTOMER AND PUBLIC.

7810.1100 COMPLAINT PROCEDURES.

7810.1200 RECORD OF COMPLAINT.

CUSTOMER BILLING; DEPOSIT AND GUARANTEE REQUIREMENTS

7810.1400 CUSTOMER BILLING.

7810.1500 DEPOSIT AND GUARANTEE REQUIREMENTS.

7810.1600 DEPOSIT.

7810.1700 GUARANTEE OF PAYMENT.

DISCONNECTION OF SERVICE; SERVICE DELAY

7810.1800 PERMISSIBLE SERVICE DISCONNECTIONS WITH NOTICE.

7810.1900 PERMISSIBLE SERVICE DISCONNECTIONS WITHOUT NOTICE.

7810.2000 NONPERMISSIBLE REASONS TO DISCONNECT SERVICE.

7810.2100 MANNER OF DISCONNECTION.

7810.2200 RECONNECTION OF SERVICE.

7810.2300 NOTICE REQUIREMENTS.

7810.2400 BILL DISPUTES.

7810.2500 ESCROW PAYMENTS.

7810.2600 WAIVING RIGHT TO DISCONNECT; EMERGENCY STATUS.

7810.2800 DELAY IN INITIAL SERVICE OR UPGRADE.

DIRECTORIES

7810.2900 CONTENT OF DIRECTORIES.

7810.3000 DIRECTORY ASSISTANCE.

7810.3100 CHANGES OR ERROR OF LISTED NUMBER.

ENGINEERING

7810.3200 CONSTRUCTION OF TELEPHONE PLANT.

7810.3300 MAINTENANCE OF PLANT AND EQUIPMENT.

7810.3900 EMERGENCY OPERATIONS.

SAC: 361495

State: MN

Valley Telephone Co - MN

Form 481 Line No. 510 Compliance with Service Quality Standards and Consumer Protection

Minnesota: (cont'd)

INSPECTIONS, TESTS, SERVICE REQUIREMENTS

7810.4100 ACCESS TO TEST FACILITIES.

7810.4300 ACCURACY REQUIREMENTS.

7810.4900 ADEQUACY OF SERVICE.

7810.5000 UTILITY OBLIGATIONS.

7810.5100 TELEPHONE OPERATORS.

7810.5200 ANSWERING TIME.

7810.5300 DIAL SERVICE REQUIREMENTS.

7810.5400 INTEROFFICE TRUNKS.

7810.5500 TRANSMISSION REQUIREMENTS.

7810.5800 INTERRUPTIONS OF SERVICE.

7810.5900 CUSTOMER TROUBLE REPORTS.

7810.6000 PROTECTIVE MEASURES.

7810.6100 SAFETY PROGRAM.

SAC: 361495

State: MN

Valley Tel Co - MN

Form 481 Line No. 610 Description of Functionality in Emergency Situations

Valley Tel Co - MN has:

- Established reasonable provisions to meet emergencies resulting from failures of lighting or power service, sudden and prolonged increases in traffic, or from fire, storm, or acts of God including provisions for emergency power that provide:
 - A minimum of 8 hours, plus or minus 15 percent, of battery reserve rated for peak traffic load requirements
 - A permanently installed power unit in exchanges, or
 - Mobile power units that can be delivered on short notice and which can be readily connected in offices without installed emergency power facilities.

- Informed employees as to the procedures to be followed, including reasonable rerouting of traffic around damaged facilities and the deployment of emergency power, in the event of emergency in order to prevent or mitigate interruption or impairment of telecommunications service.



Park Region Telephone
PO Box 277
100 Main St.
Underwood, MN 56586
218-826-6161

Otter Tail Telcom
230 W Lincoln
Fergus Falls, MN 56537
218-998-2000

Valley Telephone
PO Box 277
Underwood, MN 56586
800-247-2706

REDACTED - FOR PUBLIC INSPECTION

October 8, 2015

Robert Shepherd, Tribal Chairman
Sisseton Wahpeton Oyate
PO Box 509
100 Veterans Memorial Drive
Agency Village, SD 57262-0509

Brenda J. Bellonger, Attorney/Tax Director
Sisseton-Wahpeton Oyate
PO Box 776
Agency Village, SD 57262-0776

Dear Tribal Leaders,

We would like to request the opportunity to meet with you to discuss Valley Telephone's future plans for services and infrastructure that are currently in our planning cycle.

As we begin our budgeting process for 2016, we would love the opportunity to share our plans for continuing to provide advanced services and pursuing our goal of investing in the critical communications infrastructure used to service residents in the area.

If possible, we would like to get some possible meeting dates from you. If this is of interest, please contact me utilizing the following information:

Phone: 218-826-8311 or email dave.bickett@parkregion.com (preferred)

Email is preferred simply because I can usually respond in a more timely manner.

Thank you for your consideration. I look forward to hearing from you and hope you have had a wonderful summer.

Sincerely,

A handwritten signature in blue ink that reads 'Dave Bickett'.

Dave Bickett, GM/CEO
Valley Telephone Company

REDACTED - FOR PUBLIC INSPECTION

SAC: 361495

State: MN

Valley Tel-Co - MN

Form 481 Line No. 1010 Descriptive document for Voice Services Rate Comparability

Line 1010 – Description of Voice Services Rate Comparability: Provide a detailed description of how your pricing of fixed voice services is no more than two standard deviations above the applicable national average urban rate for voice service, as published annually by the Wireline Competition Bureau, as required in 47 C.F.R. § 54.313(a)(10).

On April 5, 2016 the Wireline Competition Bureau announced results of the Urban Rate Survey for Voice Services as part of FCC Public Notice DA 16-362. Referenced in this public notice are the results required to meet the rate comparability as noted:

“Based on the survey results, the reasonable comparability benchmark for voice services is \$41.07.³

³ Id. at 17694, para. 84.”

As required Valley Tel-Co – MN hereby certifies that its current fixed voice services for residential subscribers as defined in the USF/ICC Transformation Order is below \$41.07.

REDACTED - FOR PUBLIC INSPECTION

SAC: 361495

State: MN

Valley Telephone

Form 481 Line No. 1030 Descriptive document for Broadband Service Rate Comparability

Line 1030 – Description of Broadband Service Rate Comparability: Provide a detailed description of how your pricing of a Broadband service meeting the Commission’s Public Interest Obligations is no more than the applicable benchmark, as published annually by the Wireline Competition Bureau, pursuant to 47 C.F.R. § 54.313(a)(12).

On April 5, 2016 the Wireline Competition Bureau announced the results of the Urban Rate Survey for Broadband Service as part of FCC Public Notice DA 16-362. Referenced in this public notice are the results required to meet the rate comparability as noted:

“Based on the survey results, the reasonable comparability benchmark calculations for broadband services can be calculated at <http://www.fcc.gov/encyclopedia/urban=rate-survey-data>.

As required Valley Telephone hereby certifies that it offers a Broadband service to residential subscribers at pricing that is no more than the applicable benchmark rate.

SAC: 361495
 State: MN
 Valley Telephone Co - MN
 Form 481 Line No. 1210 Lifeline Plans Terms and Conditions

Lifeline Terms and Conditions

1. Valley Telephone Co - MN (Company) offers lifeline program-supported service to qualified low-income residential consumers for one telephone line per eligible household. The lifeline program provides discounts to eligible low-income consumers to help them establish and maintain telephone service. Lifeline assistance lowers the cost of basic, monthly local telephone service. Eligible consumers can receive \$9.25 per month in discounts. In addition, the Federal Universal Service Charge is not assessed to consumers participating in Lifeline. Toll Blocking prevents the placement of all long distance calls for which a subscriber would be charged. Toll Blocking is available to eligible consumers at no cost. Also, by choosing the option, consumers are usually not charged a deposit.

Lifeline Program Eligibility Information

Program Based Eligibility

Consumers are eligible for Lifeline if they, one of their dependents or their household participate in one of the following qualifying assistance programs:

Low Income Home Energy Assistance Program (LIHEAP)
 Federal Public Housing Assistance (Section 8)
 Supplemental Nutrition Assistance Program (SNAP)
 Medicaid
 National School Lunch Program (NSLP) and receives lunch through the program
 Supplemental Security Income (SSI)
 Temporary Assistance for Needy Families (TANF)

Lifeline applicant must present documentation demonstrating eligibility either through participation in one of the qualifying federal assistance programs or through income-based means.

Acceptable documentation of program-based eligibility includes: current or prior year's statement of benefits from a qualifying program; notice letter of participation in a qualifying program; program participation documents; or another official document evidencing the consumer's participation in a qualifying program.

Income Based Eligibility

In addition, consumers are eligible for Lifeline if their household income is at or below 135% of the federal poverty guidelines.

2014 Federal Poverty Guidelines – 135%

| <u>Household Size</u> | <u>48 Contiguous States and D.C.</u> |
|---------------------------------|--|
| 1 | \$ 15,755 |
| 2 | 21,236 |
| 3 | 26,717 |
| 4 | 32,198 |
| 5 | 37,679 |
| 6 | 43,160 |
| 7 | 48,641 |
| 8 | 54,122 |
| For Each Additional Person, Add | 5,481 |

Acceptable documentation of income eligibility includes: prior year's state, federal or Tribal tax return; current income statement from an employer or paycheck stub; social security statement of benefits; Veterans Administration statement of benefits; retirement/pension statement of benefits; unemployment/workmen's compensation statement of benefits; federal or Tribal notice of letter participating in General Assistance; or a divorce decree or child support award or other official document containing income information.

Lifeline Terms and Conditions (Continued)**Lifeline Program Eligibility Information (Continued)****Recertification of Lifeline Eligibility**

Lifeline recipients are required to recertify their eligibility annually. Failure to properly recertify a recipient's continued eligibility for the Lifeline program will result in termination of the Lifeline recipient's monthly Lifeline discount and de-enrollment from the Lifeline Program.

Additional Lifeline Program Information

The Lifeline program is limited to one benefit per household, consisting of either wireline or wireless service. A household is defined, for purposes of the Lifeline Program, as an individual or group of individuals who live together at the same address and share income and expenses. Lifeline is government benefit program, and consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.

2. The Company's flat rate plans include unlimited local exchange calling including usage to designated nearby local exchange areas. The flat rate plans do not include any toll usage. The rates for any toll usage are determined by the rate plans of the Toll Provider(s) that are selected by lifeline end users.
3. The Company has met and will meet the requirements of eligible telecommunications carrier advertising. This includes:
 - a. A full description of available services in the Company's Official telephone directory, including the process to be used by customers to qualify for lifeline and link-up service.
 - b. Advertising of the available universal service in media of general circulation in the Company's designated service area. Availability may be advertised in newspapers, company newsletters, company or civic internet sites, bill stuffer, direct mailings, or other means intended to convey availability throughout the designated service area.
4. The specific Company terms and conditions for the Company's Lifeline Plans are set forth in pages included in Exhibit 1, attached.

SAC: 361495
 State: MN
 Valley Telephone Co - MN
 Form 481 Line No. 1210 Lifeline Plans Terms and Conditions

Minnesota:

Rates:

The Company's Local service rates that serve as its Lifeline Plans are filed in Compliance with the regulatory requirements of Minn. Rules Ch. 7810 and Minn. Rules pt. 7812.0600.

Lifeline Terms and Conditions:

The Company will adhere to Lifeline Terms and Conditions above as well as Minnesota Administrative Rule "7817.0400 - Eligibility for Telephone Assistance Credits" which states:

Minnesota Administrative Rule 237 Chapter 7817.0400

Subpart 1. Information provided. Each local service provider shall annually mail a notice of the availability of the telephone assistance plan to each residential subscriber in a regular billing. If a subscriber has chosen to receive the regular billing other than through U.S. mail, the local service provider shall send the notice in a regular billing using the delivery method chosen by the subscriber for delivery of the regular billing. The notice must state the following: YOU MAY BE ELIGIBLE FOR ASSISTANCE IN PAYING YOUR TELEPHONE BILL IF YOU RECEIVE BENEFITS FROM CERTAIN LOW-INCOME ASSISTANCE PROGRAMS OR MEET CERTAIN INCOME LIMITS. FOR MORE INFORMATION OR AN APPLICATION FORM PLEASE CONTACT

(local service provider). On request, the local service provider shall mail to a person an application form developed by the commission and the Department of Commerce, and a brochure that describes the telephone assistance plan's eligibility requirements and application process.

Subpart 2. Application process. On completing and signing the application certifying under penalty of perjury that the information provided by the applicant is true and that the statutory criteria for eligibility are satisfied, the applicant must return it to the local service provider for enrollment in the telephone assistance plan. An application may be made by the subscriber, the subscriber's spouse, or a person authorized by the subscriber to act on the subscriber's behalf.

Subpart 4. Eligibility criteria. To be eligible for a telephone assistance credit the applicant must:

- A. be a subscriber who resides in Minnesota or has moved to Minnesota and intends to remain; and
- B. be eligible for the federal Lifeline telephone service discount.

Subpart 7. Applicant and recipient responsibilities. Each applicant and each recipient shall provide current information to the local service provider about permanent changes that affect the applicant's or recipient's eligibility.

Subpart 8. Local service provider responsibilities.

- A. A local service provider shall begin providing telephone assistance credits to an applicant in the earliest possible billing cycle but not later than the second billing cycle following submission of a completed application demonstrating eligibility. If certified, the local service provider shall notify the applicant by, for example, placing telephone assistance credits on the bill.
- B. If an applicant is denied eligibility, the local service provider shall notify the applicant in writing of the reasons for the denial, of the right to appeal, and of the right to reapply.

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Exhibit 1

SAC: 361495

State: MN

Valley Telephone Co - MN

Form 481 Line No. 1210 Lifeline Plans Terms and Conditions

The rates for Local Exchange Service are subject to the conditions set forth herein and the General Regulations governing provision of service. The General Regulations are set forth in Section 2 of this tariff book.

Local Exchange Service

- a. The Local Exchange Service Rates in this section are for service only and do not include any terminal equipment beyond the point of demarcation.
- b. The rates applicable to Local Exchange Service are composed of a Line Access Rate component plus (where applicable) an Extended Area Service component.
- c. Service Upgrades
 - 1. At the option of the Company, services will be upgraded to business individual line and residence individual line or two party services as facilities for the provision of such services permit.
 - 2. Upgrading of business and residence services may be accomplished on a line-by-line basis at the option of the Company.
 - 3. As an exchange is upgrade, as set forth in 1) above, the rates shown on the appropriate rate schedule will be applied.
- d. Extended Area Service
 - 1. Establishment and discontinuance of EAS will be contingent upon Commission authorization.
 - 2. Extended Area Service rate component.
 - A. EAS is a premium-type service offering made by the Company to certain exchanges, under specific conditions.
 - B. The Extended Area Service rate component, where applicable, is included in the Local Exchange Service Rate.
- e. Taxes
 - 1. Applicable taxes levied by state, county and local taxing authorities are in addition to the rates set forth in this tariff. (See also General Regulations, Section 2.)

LOCAL EXCHANGE SERVICE

Rates

| <u>Class of Service</u> | <u>Monthly Rates</u> |
|--------------------------|----------------------|
| BUSINESS: | |
| One Party – Access | \$ 19.23 |
| PBX Trunk – Access | 21.25 |
| Key System Line – Access | 21.25 |
| RESIDENCE: | |
| One Party – Access | 17.50 (I) |

All rates are billed in advance. Payment for service is due when the statement is rendered.

A gross receipts additive will be billed to the subscribers equal to 4% of the federally imposed subscriber line charge. This additive will be shown on the subscriber's bill as a separate line.

Seasonal service is available for customers requiring less than 12 months of service per year. The rate for seasonal service is determined in accordance with section 5, page 26 of this tariff book.

Vacation rate service is available for customers requiring less than 12 months of service per year. The rate for vacation service is determined in accordance with section 5, page 28 of this tariff book.

LOCAL EXCHANGE SERVICE

Extended Area Service (EAS)

Exchange

EAS to Exchange

None

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SAC: 361495

State: MN

Valley Tel Co - MN

Response to Line 3010 – Milestone Certification (47 CFR §54.313(f)(1)(i))

Valley Tel Co - MN hereby certifies that throughout 2015, it took reasonable steps to provide upon reasonable request broadband service at actual speeds of at least 4 Mbps downstream/1 Mbps upstream, and currently, it is taking reasonable steps to provide upon reasonable request actual speeds of at least 10 Mbps downstream/1 Mbps upstream broadband service at with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to comparable offerings in urban areas as determined in an annual survey, and that requests for such service are met within a reasonable amount of time.

SAC: 361495
State: MN
Valley Tel Co - MN
Form 481 Line No. 3026

ATTACHMENT REDACTED IN ENTIRETY